



## ESCROW AGREEMENT

NOTE ► REQUIRED OF SELF-INSURERS UNDER THE MISSOURI WORKERS' COMPENSATION LAW, TO BE EXECUTED IN TRIPLICATE, ONE COPY OF SAME TO BE FILED WITH THE DIVISION.

WHEREAS, \_\_\_\_\_, (NAME), \_\_\_\_\_, (STREET NUMBER)

\_\_\_\_\_, (CITY), \_\_\_\_\_, (STATE), \_\_\_\_\_, (ZIP CODE), has made

application to the Division of Workers' Compensation for the privilege of self-insuring his, her, their, or its own workers' compensation liability, as prescribed by Section 287.280 RSMo, and

WHEREAS, the Division of Workers' Compensation, in order to ensure the payment of all existing, future, or potential liabilities and obligations which may arise under the Missouri Workers' Compensation Law, requires as a condition precedent to the granting of such privilege that the employer place in escrow with a bank or trust company in the State of Missouri, acceptable to the Division, direct obligations (either bonds or notes or bills) of the United States in the amount of \$ \_\_\_\_\_ .00 value, or cash in said sum, in lawful United States Dollars.

In order to comply with said requirements, the employer hereby agrees to place into escrow with \_\_\_\_\_, the escrowee, the following securities and/or cash (escrow funds), as here designated:

TYPE OF INVESTMENT	DENOMINATION OR VALUE

and which upon maturity shall be reinvested in the same form of security; and

That the employer and his, her, their, or its agents, heirs, successors, personal representatives, and assigns, and the escrowee, its successors and assigns, expressly agree that in the event said employer or his, her, their or its agents, heirs, successors, personal representatives, or assigns shall become insolvent and/or bankrupt within the meaning of the Bankruptcy Act, 11 U.S.C. § 101 et seq., or shall fail to pay any award(s), approved settlement(s) or any other existing, future and potential liabilities or obligations of the employer or his, her their, or its agents, heirs, successors, personal representatives and assigns, under the Workers' Compensation Law within thirty (30) days after same become(s) final (after the employer has exhausted his rights of review and appeal under the Workers' Compensation Law then upon order or demand of the Division of Workers' Compensation, to the escrowee its successor and assigns the said escrowee its successors and assigns shall within ten (10) days (selling at the current market price if necessary any and all securities deposited) pay to the Division of Workers' Compensation, its agents, successors, assigns and/or designees, out of the escrow funds deposited, and out of the funds obtained from the sale of the securities, if sold, the full amount of the escrow funds as specified by said Division, in said order or demand, so that the Division, its agents, successors, assigns and/or designees, may apply the escrow funds to such existing, future and potential obligations of the employer under the Workers' Compensation Law and the rules and regulations that now or may hereafter be adopted by said Division with respect to the same. Provided, that the obligation of the escrowee, its successors and assigns, to make payment hereunder shall be in the amount determined by the Division, but in no event shall exceed the amount of the escrow funds and the actual proceeds received from the sale of the escrow funds; and provided further, that if said escrowee, its successors and assigns, on account of acts or facts beyond said party's control (as for example, bank moratoriums or holidays), shall be prevented from making sale of said escrow funds, then, and in that event only, said escrowee, its successors and assigns, shall have additional time to make said sale or sales and shall sell said escrow funds as above provided as soon after said ten (10) day period as may be reasonably possible.

In the event of failure by the escrowee its successors and assigns to pay said escrow funds within ten days or as soon after ten days as may be reasonably possible after a delay on account of acts or facts beyond said party's control, the Division of Workers' Compensation shall be entitled to costs of enforcement of this agreement including, but not limited to, attorneys fees and costs, separate from and additional to the amount of the escrow funds as specified by the Division in its order or demand payable from the escrowee, its successors and assigns.

Moneys collected by or on behalf of the Division of Workers' Compensation its agents, successors, assigns and/or designees and dispersed to the Missouri Private Sector Individual Self-Insurers Guaranty Corporation shall be vested in the Missouri Private Sector Individual Self-Insurers Guaranty Corporation and shall not be deemed state property and shall not be subject to appropriation by the legislature, the treasurer or any other state agency.

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that in the event the amount of the escrow funds shall subsequently be increased by order of the Division of Workers' Compensation, such additional escrow funds deposited with the escrowee, its successors and assigns, shall be subject to the same agreements as heretofore and hereafter set out for the initial deposit; and

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that as interest becomes due upon the escrow funds, said interest shall be collected by the escrowee, its successors and assigns, and paid over to the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns; and

It is further expressly agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that the escrow funds placed in escrow by the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, cannot be expended, removed, withdrawn, or replaced, except for reinvestment as herein provided or on order or demand of the Division of Workers' Compensation; and

It is further expressly understood and agreed by and between the employer and his, her, their, or its agents, heirs, successors, personal representatives and assigns, and the escrowee, its successors and assigns, that the escrowee, its successors and assigns, shall act upon the order or demand of the Division of Workers' Compensation as herein provided without being held responsible for, or under any requirement to make investigation as to the existence or non-existence of, any preliminary requirements to justify the order or demand of the Division.

This agreement shall be governed by the laws of the State of Missouri and the rules and regulations that now or may hereafter be adopted by the Division.

Executed in triplicate at \_\_\_\_\_, State of \_\_\_\_\_,

This \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20 \_\_\_\_\_.

FIRST PART	OFFICIAL CAPACITY		
Employer Signature	Official Capacity		
Escrowee Signature	Official Capacity		
Address	City	State <b>MO</b>	ZIP Code